

141.109 Statutory Lien on Net Revenues; Statutory Trust; Duration; Enforcement.

Sec. 9.(1) * * * *

(2) All rates and other revenues received or to be received by a public corporation relating to a public improvement, including those for the payment of the costs of administration, operation or maintenance of the public improvement or for the payment of the principal, interest and other amounts due on any bonds issued pursuant to this act related to that public improvement, shall hereby be subject to a statutory lien and trust and be held in trust by or for that public corporation and may be used only to pay the costs of administration, operation and maintenance of the public improvement or for the payment of principal and interest or other amounts due on any bonds issued pursuant to this act related to that public improvement, or, if not needed for those purposes, for the purchasing, acquiring, constructing, improving, enlarging, extending or repairing of that public improvement. The statutory lien and trust hereby created shall be paramount and superior to all other liens and interests of any kind, and the rates and other revenues subject to such lien and trust shall be exempt from being levied upon, taken for, sequestered, or applied to other debts, obligations, or liabilities of the public corporation. The lien and trust created under this subsection is enforceable without notice and without delivery or recording of any instrument or notice. The statutory lien and trust created under this subsection and subsection (1) are valid and binding against a party having a claim of any kind in tort, contract or otherwise against the public corporation, regardless of whether that party has notice of such lien and trust.